

EXHIBIT 1

INTRODUCTION

At all times relevant, Respondent Sean MacNeil was employed as the Legislative Coordinator for then-Assemblywoman Patricia Wiggins.

As a member of the State Assembly, Assemblywoman Wiggins was required file an annual statement of economic interests for the year 2001, by March 1, 2002. Based on information received by the Technical Assistance Division, an irregularity in the statement of economic interests for 2001 filed by Assemblywoman Wiggins was discovered. Upon further investigation by the Enforcement Division, it was determined that Respondent MacNeil signed the verification sections of two of Assemblywoman Wiggins' statements of economic interests in her name, and caused them to be filed. Based on the investigation, Enforcement Division staff determined that Respondent MacNeil violated the verification provision of the Political Reform Act (the "Act").¹

For the purposes of this Stipulation, Respondent's violations of the Act are stated as follows:

COUNT 1: On or about March 1, 2002, Respondent Sean MacNeil signed the verification of the statement of economic interests for 2001 for, and in the name of, Assemblywoman Patricia Wiggins, in violation of section 81004, subdivision (a).

COUNT 2: On or about March 6, 2002, Respondent Sean MacNeil signed the verification of the statement of economic interests for 2001 for, and in the name of, Assemblywoman Patricia Wiggins, in violation of section 81004, subdivision (a).

SUMMARY OF THE LAW

One of the express purposes of the Act, as set forth in section 81002, subdivision (c), is to ensure that the assets and income of public officials, which may be materially affected by their official actions, be disclosed, so that conflicts of interest may be avoided. The Act therefore established a system for reporting a public official's economic interests that is designed to accomplish this purpose of disclosure.

In furtherance of that purpose, section 87203 requires every person who holds an office described in section 87200 to annually file with the Fair Political Practices Commission, at a time specified in the Commission's regulations, a statement of economic interests disclosing his

¹ The Political Reform Act is contained in Government Code sections 81000 through 91014. All statutory references are to the Government Code, unless otherwise indicated. The regulations of the Fair Political Practices Commission are contained in sections 18109 through 18997 of title 2 of the California Code of Regulations. All regulatory references are to title 2, division 6 of the California Code of Regulations, unless otherwise indicated.

or her reportable investments, interests in real property, and income. Under regulation 18723, subdivision (b)(1), the deadline for a member of the Legislature to file an annual statement of economic interests is March 1 of the following year. The statement must include all of the member's reportable economic interests held during the preceding calendar year. (Regulation 18723, subdivision (a).)

Also, in furtherance of that purpose of disclosure, section 81004, subdivision (a) requires that all reports or statements filed under the Act, including statements of economic interests, be signed under penalty of perjury and verified by the filer. Additionally, the "verification shall state that the filer has used all reasonable diligence in its preparation and that to the best of his knowledge it is true and complete." (Section 81004, subd. (a).) Under section 82026 the filer is defined as "the person filing or required to file any statement or report under [the Act]."

SUMMARY OF THE FACTS

At all times relevant, Respondent Sean MacNeil was employed as the Legislative Coordinator for Assemblywoman Patricia Wiggins.

COUNT 1

On March 1, 2002, Assemblywoman Wiggins' office was contacted by the Clerk of the Assembly regarding the filing of Assemblywoman Wiggins' statement of economic interests for the year 2001. At some point, Respondent MacNeil spoke with the Clerk, and he was apprised that Assemblywoman Wiggins had not filed her statement of economic interests for 2001 and that it had to be filed with the Assembly Rules Committee by the end of the day. Aware that a late filing of the statement of economic interests would subject Assemblywoman Wiggins to late filing penalties, Respondent MacNeil took immediate steps to accomplish the timely filing of the Assemblywoman's statement of economic interests. Respondent MacNeil contacted Assemblywoman Wiggins' chief of staff for assistance, but the chief of staff could not help him. He also attempted to contact Assemblywoman Wiggins, but was unable to reach her.

After being unable to contact Assemblywoman Wiggins, Respondent MacNeil talked to a staff person in Assemblywoman Wiggins' office and was informed that there were no changes to the Assemblywoman's reportable economic interests from the statement of economic interests that she had filed as a candidate. Respondent MacNeil then completed and signed Assemblywoman Wiggins' name on the verification line of Assemblywoman Wiggins' statement of economic interests, and filed it with the Assembly Rules Committee. Assemblywoman Wiggins was unaware of Respondent MacNeil's actions and did not authorize him to sign and file her statement of economic interests.

By signing the verification of Assemblywoman Wiggins' statement of economic interests, Respondent MacNeil violated section 81004, subdivision (a).

COUNT 2

On March 1, 2002, the statement of economic interests for Assemblywoman Wiggins that had been signed by Respondent MacNeil was received by the Commission. In reviewing the statement of economic interests, Commission staff noted that while the form appeared to have been verified by Assemblywoman Wiggins, the name of the person in the certification portion of the form was listed as Sean Wiggins.

On March 4, 2002, a Commission staff person contacted Assemblywoman Wiggins' office regarding the discrepancy between the verification and certification portions of the above-referenced statement of economic interests. The Commission staff person was directed to Respondent MacNeil. Respondent MacNeil explained to the Commission staff person that he had completed the form, but that Assemblywoman Wiggins had signed it. The Commission staff person advised Respondent MacNeil that a completed form with the correct information needed to be filed. Thereafter, Respondent MacNeil completed a new statement of economic interests and again signed Assemblywoman Wiggins' name in the verification portion of the form. Respondent MacNeil filed the amended statement of economic interests with the Assembly Rules Committee, who transmitted it to the Commission on March 7, 2002. Again, Assemblywoman Wiggins was unaware of Respondent MacNeil's actions, and did not authorize him to sign and file her statement of economic interests.²

By signing the verification of Assemblywoman Wiggins' corrected statement of economic interests, Respondent MacNeil violated section 81004, subdivision (a).

CONCLUSION

This matter consists of two counts, which carry a maximum administrative penalty of Ten Thousand Dollars (\$10,000).

Verification under penalty of perjury of a statement of economic interests by the filer is a critically important aspect of the financial disclosure system set forth in the Act. It assures the integrity of the information provided to the public regarding a public official's financial interests. It also assures that such information can be reasonably relied upon by the public and the Commission in determining whether a conflict of interest exists with respect to any governmental decisions involving the public official. Therefore, a staff person signing the verification for the public official is a serious violation of the Act.

While there are no factually comparable enforcement cases where a verification has been signed by someone other than the filer, violations of section 81004 for a failure of a candidate or public official to use due diligence in preparing and reviewing verified statements filed under the Act have been treated as serious violations. The typical administrative penalty that has historically been imposed by the Commission for violations of this kind, pursuant to a stipulation, has ranged from \$1,000 to \$2,000 per violation where the maximum available penalty was \$2,000. As the violations in this case involve a potential maximum penalty of \$5,000 per count, this would translate to a proportional range of \$2,500 to \$5,000 for the

² A properly verified statement of economic interests was filed by Assemblywoman Wiggins on March 13, 2002.

violations.

In this case, Respondent MacNeil's signing of the verification in the first instance could be partially attributed to his ill-advised zeal to timely file the statement of economic interests on behalf of his boss. Also, it was not uncommon for legislative staffers to sign correspondence on behalf of Assemblywoman Wiggins. As such, a penalty below the typical penalty range in the amount of \$1,000 is appropriate for the first count. However, the second violation is more serious, because Respondent MacNeil had been contacted by Commission staff regarding discrepancies in the first statement, and the seriousness of his actions should have been readily apparent. Unfortunately, he did not appreciate the seriousness of his actions, and instead of rectifying his mistake at that time, he repeated it. Therefore, a more severe penalty of \$3,000 is appropriate for the second count.

The facts of this case, as well as the aforementioned factors, justify imposition of the agreed upon administrative penalty of Four Thousand Dollars (\$4,000).